



February 2006

Minutes of January 26 meeting - Draft

HECB Members Present

Mr. Gene Colin, chair
Mr. Bill Grinstein, vice chair
Mr. Hernandez, secretary
Ms. Ethelda Burke
Mr. Lance Kissler
Sen. Betti Sheldon
Dr. Sam Smith
Mr. Mike Worthy

Welcome

Gene Colin, newly elected board chair, welcomed those in attendance to the University of Puget Sound. Colin was appointed chair at a special meeting of the board on January 9. Also elected were Bill Grinstein, vice chair; and Jesus Hernandez, secretary. Current committee chairs remain in place.

Colin introduced UPS President Dr. Ronald Thomas. Thomas welcomed the board and provided a history of the campus, which began operation in 1888. Over the past 25 years, Thomas said, UPS has been implementing a strategic shift, gradually moving its focus from a comprehensive education to a more residential undergraduate education. The university is also partnering with Tacoma public schools and local businesses to address the issue of achievement gap, and is working with other schools to study waste reduction and environmental policies.

Bruce Botka honored

Colin presented Botka a plaque and read a board resolution recognizing his commitment and dedication to higher education as director of government relations for the HECB. After eight years, Botka is leaving the agency to assume new responsibilities in the governor's office, furthering the work on GMAP (Government Management Accountability and Performance).

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Minutes of December 15 and January 9 meetings

ACTION: Sam Smith moved to approve the minutes of the December 15 and January 9 meetings. Mike Worthy seconded the motion, which passed unanimously.

Consent Agenda Items approved

ACTION: Lance Kissler moved to approve two new degree programs on the consent agenda: Master of Arts in Culture Studies at UWB (**Res. 06-01**), and Bachelor of Arts in Computing and Software Systems at UWT (**Res. 06-02**). Sam Smith seconded the motion, which passed unanimously.

Executive Policy Committee ReportLegislative Update

Bruce Botka described three key components that are driving this year's legislative session: the state's additional revenue dollars, the impact of the WASL requirement, and the policy discussions around Washington Learns.

Botka then provided an update on pending higher education legislation.

- HB 2867 and SB 6464 would clear the way for WSU Tri-Cities branch campus to develop into a four-year institution.
- SB 6744 would provide 100 GET units as scholarships to students who maintain a 3.5 G.P.A. and pass the WASL on the first attempt -- and whose family incomes do not exceed 100 percent of the state's median family income.
- SB 6780 would establish a "math-science scholar" high school diploma and calls for full-tuition scholarships for students who earn the diploma and pursue math-science studies in college. This bill supports the board's effort to increase minimum college admission requirements.
- HB 2630 calls for creation of a new "credential" for job training students in high-demand occupational fields, and would provide an "opportunity grant" (administered by the State Board for Community and Technical Colleges).
- SB 6271 would establish zero-interest college loans administered by the HECB for students whose family income is no greater than 135 percent of the state median (about \$93,000 for a family of four). This is the same income standard that was applied to Gov. Locke's Promise Scholarship.
- SB 6811 would reinstate funding for the Promise Scholarship. While the 2005 Legislature discontinued funding for the scholarship, the program remains in statute. This measure would provide \$6 million in 2006-07 to re-fund the scholarship.

- SB 5360 calls for a study of the performance and funding of Running Start students. The Senate has passed this bill and sent it to the House.
- HB 2817/SB 6697 would direct the public colleges and universities to expand access to programs in the fields of engineering, technology, biotechnology, math, science, and computer science. The HECB would make annual progress reports in those areas. The HECB has suggested an amendment to this legislation that would shift reporting to a biennial cycle, which would match up better with related initiatives -- including the workforce needs assessment, the HECB's statewide needs assessment, and the biennial budget process.
- HB 2507/SB 6487 are designed to penalize institutions that issue false academic credentials. The measures would establish civil (HB 2507) or criminal (SB 6487) penalties against those who knowingly use false credentials for personal or business benefit.
- HB 1434, backed by Reps Cox, Priest, and Jarrett, would establish a strategic direction for higher education.

Discussion on teacher shortages (particularly math and science) and teacher certification

Bill Grinstein asked about the anticipated need for teachers over the next five to seven years. Botka said there are a lot of variables and that the projected need is subject to a great deal of interpretation. What has resonated with the legislature is the need for more teachers.

Grinstein said other facets of the discussion include the need for adequate resources in the K-12 system, and -- from the HECB's point of view -- the need for "seats" in higher education to train the teachers.

Sulton said HECB staff have begun to engage with the Washington Association for Colleges of Teacher Education in order to understand the deans' perspective about teacher shortages and how to best resolve the problem. Jennifer Wallace, executive director of the Professional Educator Standards Board, along with two staff members from OSPI -- Arlene Hett and Andrew Griffin -- have been invited to the boards' April advisory council meeting to further discuss teacher shortages.

Betti Sheldon said it is important for the HECB to focus on the teacher-shortage issue and help move the discussion toward an actual plan that would remedy the situation.

Sam Smith said there is a lot of discussion about math and science on the federal level. He spoke about the new commission appointed by the U.S. Secretary of Education that is looking at the future of higher education. The commission is working with a number of national organizations -- including state boards -- to develop a competency-based testing system. Although Washington state has decided not to become a major player in this initiative, Smith believes this shouldn't stop the HECB from taking some leadership in the issue. Sheldon agreed.

Ethelda Burke said there is also a need to address the certification and endorsement of teachers in math and science, special education and foreign languages. She said the funding that the governor is advocating to help students pass the WASL is not going to help unless there are qualified teachers to support that work. She hopes the HECB will be able to help come up with a plan to address teacher certification as well.

Discussion on high-demand fields

Colin asked if there are efforts to come up with a universally-accepted definition of a high-demand field. Sulton said there is no universal acceptance of what constitutes a high-demand field, and Botka explained that several definitions have been in play for a while. When the HECB was charged with allocating funding for high-demand enrollment grants, agency guidelines indicated that excess student demand and excess employer demand must be demonstrated in order for a program to be considered high demand. Smith asked if it is incumbent upon the HECB to generate a definition and identify high-demand areas. Botka responded that in his opinion, the board should take that step.

Discussion on needs assessment

Grinstein commented on the lack of sufficient detail in the studies put forth by the Workforce Training and Education Coordinating Board (WTECB), the State Board for Community and Technical Colleges (SBCTC) and the HECB on the relationship between capacity and demand. He said this remains a gray area that the board is in a position to address more specifically.

Botka said the needs assessment study by the HECB represents the first-time student, community and employer needs and demands have been collected and reported out. The study Grinstein referenced is limited to employer needs.

Discussion on HB 1434

Mike Worthy asked Botka to compare the proposal sponsored by Reps. Cox, Priest and Jarrett to the 2004 master plan. Botka characterized HB 1434 as more prescriptive in establishing goals and targets than the board's master plan. He said the strength of the strategic master plan lies in its two easily understood goals and the specific strategies aimed at supporting each goal.

Sulton said the proposed legislation has taken an inductive approach, while the master plan is more deductive. He said there are unanswered questions about financing and the mix between public and private efforts.

Governor's proposed 2006 supplemental budgets

Fiscal committee chair Mike Worthy reminded the board that supplemental budget proposals are limited to emergent issues, technical corrections, improved efficiencies, mandatory caseload/workload changes, and changes in capital project scope or purpose. He introduced Marc Webster from the Office of Financial Management to discuss Gov. Gregoire's proposed supplemental budget as it relates to higher education.

Webster began by saying that although there is an unexpected surplus in the budget, most of it comes from very volatile sources, which may not be available in the future. As a result, the governor is proposing that a fair amount of the surplus be placed in reserve.

Webster said the governor's higher education budget focuses on the institutions' top priorities. The HECB would receive \$75,000 for the GEAR UP program, which would otherwise experience a deficit beginning in 2007 due to unexpected participation rates. Although this level of funding is expected to keep the program sustained through 2007, more research will be required prior to the 2007-09 biennium to determine how much additional funding is needed in future years.

Holly Lynde, fiscal policy analyst, summarized the supplemental budget process. Gov. Gregoire introduced her supplemental budget proposal on December 20, and both the House and Senate will use that document as a guide for developing their own budget proposals in February. Once the House and Senate have passed their individual budget proposals, a conference committee will work out the differences between the two. The regular legislative session will end March 9.

Jim Reed, interim director of fiscal policy, provided an overview of the governor's proposed 2006 capital budget.

Education Committee report

Sam Smith, Education Committee chair, briefed the board on the January 17 accountability meeting. A broad range of participants -- including members of the legislature and the governor's office, OFM, and representatives from the colleges and universities -- discussed the need to come to a mutual understanding about the institutions' performance measures. A follow-up meeting with staff is planned.

House Bill 1794

HECB Senior Director of Academic Affairs Randy Spaulding provided an update on HB 1794, which was passed by the 2005 legislature to help expand access to baccalaureate programs. The new law has two major provisions: (1) it authorizes freshman enrollment at three branch campus (WSU Vancouver, UW Bothell and UW Tacoma) -- in effect allowing these institutions to develop into four-year institutions; and (2) it authorizes up to four pilot programs in which selected community and technical colleges would directly award applied baccalaureate degrees.

Spaulding said the awarding of baccalaureate degrees at the community colleges could have a considerable impact on financial aid programs -- especially the State Need Grant, and that implementing the measure will require some policy changes.

Smith noted that the two research universities and the independent colleges were not listed as possible partners with the community colleges. Spaulding clarified that although the measure did not include the main research campuses, the independent colleges could participate; however

they would not receive state funding. Spaulding also clarified that the community colleges would be required to follow the HECB's degree-approval process.

Jesus Hernandez suggested that it is incumbent upon the HECB to consider the potential for unintended consequences in these endeavors. He said there is a need for the board to provide leadership in analyzing the proposed changes.

Worthy suggested that the board's concerns be included in the final report to the legislature and the governor in 2008, remarking that the board has editorial license to do that.

Spaulding concluded his report by discussing the measures that will be used to assess progress in the implementation of HB 1794; including accreditation, HECB program approval, cohort persistence and freshman applications. The board will be asked to adopt the measures at its February meeting.

Diversity Report

Sulton briefed the board on the status of minority students in Washington state, including enrollment, academic progress, graduation rates, and population projections. He said there are huge academic achievement gaps in all sectors of education. And because the state's minority population is expected to grow significantly over the next few years, the state must find a way to bridge the achievement gaps and ensure that minority students are prepared to succeed in college.

Lance Kissler suggested additional grass-roots efforts and culturally-based research to find out why the state continues to see low numbers of African-American, Hispanic, and Native American students completing their post-secondary education. Grinstein suggested looking at the schools' outreach efforts and recruitment policies.

Hernandez shared his experience from his own K12 school district in Wenatchee, which has a significant Hispanic population. By planting the seeds early on and working with middle-school students, the district has been successful in helping students and their families believe that college is within their reach. Hernandez said that normally, the rural Hispanic population does not expect to attend college.

Burke mentioned a similar program in Tacoma, sponsored by the Gates Foundation, that introduces middle-school students to college. She said there are several initiatives in the area that address the minority academic achievement gap. Sheldon agreed that it is important to reach out to middle-school students.

Smith said the board has a moral obligation to make an impact on this issue. He said that a number of things can be easily done -- such as posters or other types of information targeted at minority students. He referenced a marketing plan implemented by the California Board of Education.

Hernandez said the board can identify some of the best practices already in place to reach minorities and help to expand their participation rates.

Competency-based Transfer Pilot Project

Andi Smith, policy analyst, presented a draft report on the progress of the competency-based transfer pilot project for board approval. HB 1909 directed the HECB to select higher education institutions to participate in a pilot project in order to define the competencies that students must have to pursue certain upper-division coursework. The current transfer system is based on “seat time” -- or the accumulation of credits through successful completion of specific classes.

Working with Eastern Washington University, Spokane Falls Community College and Spokane Community College, HECB staff have come up with a recommendation -- based on the results obtained from the pilot projects. The faculty in the three schools approached the work differently and consequently had varied results; however, the themes were similar.

- Data does not exist to demonstrate that competency-based transfer actually makes the system more efficient or effective.
- While expansion of the pilot projects would require a significant investment by the state, it is unclear whether the investment would pay off.

Sam Smith said there is a national trend for competency-based transfer.

Grinstein expressed concern that opportunities for transfer are limited without articulation agreements.

ACTION: Mike Worthy moved to approve the competency-based transfer report for submission to the legislature (**Res. 06-03**). **Sam Smith** seconded the motion, which passed unanimously.

Director's Report

- Sulton introduced two additions to the HECB staff: Rachelle Sharpe will fill a newly created position as program and policy analyst for student financial assistance. Weiya Liang has accepted the position of associate director for GEAR UP.
- Margaret Spellings, U.S. Secretary of Education, has established a commission on the future of higher education (mentioned earlier by Sam Smith). The commission is charged with developing a comprehensive national strategy for postsecondary education. The hope is that this strategy will address the higher education needs of America's diverse population, and also address our country's emerging economic needs. The commission plans to meet in Seattle in the near future; details are yet to be determined.

- Initiated in 1999, the Institutional Child Care Grants program was established to address the need for high-quality, accessible, and affordable childcare for students in Washington's public baccalaureate institutions. In 2003-05, the Legislature appropriated a total of \$150,000 to fund this program, with another \$105,000 earmarked for the 2005-07 biennium.

Regional Planning Update

SIS (Skagit, Island, and Snohomish Counties) Study

Reed introduced consultants Tom Johns and Bill Sanford who have been working with the HECB in determining higher education needs in the Skagit, Island and Snohomish counties area, as directed by the legislature. Following the 2005 legislative session, two project organization groups were created: (1) a local advisory committee and (2) a workgroup consisting of faculty representatives from all over the state. The HECB is directed to deliver a recommendation to the legislature by December 2006. Reed summarized current findings and next steps.

Reed described the genesis of the SIS project. The Skagit, Island and Snohomish counties area community have long felt the need for a higher level of service in higher education, particularly in the four-year sector. Ten years ago the HECB conducted a study that found there was, in fact, unmet need to be addressed -- even with the additional capacity provided by UW Bothell. The current study will determine whether those unmet needs still exist.

Grinstein asked about the different population and participation growth rates in the SIS area and how those rates compare with growth rates in the rest of the state. Tom Johns replied that the project team chose the statewide participation rate as one of the variables. By 2015, the project team hopes to increase enrollment in the SIS region to the current statewide level -- with the understanding that over time, statewide levels will change.

Smith asked where students in the tri-county area are currently attending college, and whether programs will be prioritized. Reed said that some students attend in-state institutions, while others go out-of-state. He said it is clear there is a broad demand, and that a comprehensive solution is needed. The costs have yet to be determined.

Smith asked if the team is considering a new institution, or a new branch of an established accredited institution. Reed said the team is looking specifically at the needs of the area, and approaching the project with no preconceptions for an outcome. Those alternatives will be evaluated at a later point.

Worthy agreed that it is premature to discuss a new institution or a new branch of an institution. The project team is still in the process of identifying the needs and exploring the most efficient way to address those needs. He advised that it is in the board's best interest to ensure the broadest possible community input to avert challenges in the future.

Sheldon observed that the project coordination team consists largely of college and university representatives from institutions that would lose students to a newly established institution. She

asked whether those representatives expressed concern that they would be losing a portion of their student population. Reed responded that expansion of market share will be addressed when area needs are fully evaluated.

If the study's conclusion included building a new institution, Smith advised the team to think about building an innovative "next-generation university," which can be made possible by partnering with foundations and private businesses.

Hernandez discussed the challenge of considering statewide needs rather than just the needs of one area. He asked how close the board is to mapping out the entire state and identifying where the needs are. "How does the board know there is not another area with a higher need than the SIS counties?" he asked. Reed explained that Strategy 6 in the strategic master plan discusses regional planning, which is an ongoing study. Assessing statewide needs is a part of the study and staff will make recommendations based on those assessments.

WSU Tri-Cities Report

Andi Smith provided background information and a status report on potential development of the WSU Tri-Cities branch campus.

The Tri-Cities Industrial Development Council (TRIDEC) has held a series of well-attended town meetings to help determine the future of higher education in the area. Along with local business and community support, TRIDEC has drafted five options for future development of the WSU-TC campus and a vision for education as a whole system -- inclusive of the K-12 sector. Based on their planning and vision, TRIDEC has submitted two legislative requests:

- Full authority to offer lower-division coursework for all major programs (in addition to biotechnology, which was approved by the 2005 legislature); and
- \$350,000 to conduct further study and planning.

Rep. Kenney has sponsored HB 2867 to provide \$350,000 to plan, support expansion, and grant four-year authority to WSU Tri-Cities, beginning in fall 2007. SB 6464 would allow the campus to admit freshman and sophomore students beginning fall 2006, but does not require additional planning. The HECB has requested an amendment to SB 6464 requiring the campus to conduct additional planning.

Worthy asked Grinstein (who recently retired from PNNL) whether there is an indication that constituencies in the area are closer than in the past. Grinstein recognized that coming to agreement on a proposal is the biggest challenge people face, but he believes that the community is in agreement on this issue and that the area has a better foundation than in the past. PNNL provides a science resource that is unduplicated anywhere in the world in terms of equipment.

Financial Aid Committee

Jesus Hernandez, chair of the Fiscal Committee, introduced John Klacik, Director of Student Financial Assistance. John gave a report on the agency's financial aid programs for 2004-05,

including total funds awarded, total numbers of students served, notable events and current legislative interest in student financial assistance.

Some of the 2004-05 highlights in Klacik's report included:

- The total number of financial aid recipients for 2004-05 was 137,000.
- Washington ranked 9th among all states in providing need-based aid, with an average of \$521 awarded per FTE.
- Of all enrolled students, four out of 10 receive need-based aid.
- State Need Grant and State Work Study funding have increased dollar-for-dollar to keep pace with tuition and fee increases.
- The Promise Scholarship program will end June 30, 2006.
- Legislation introduced this session addresses several issues that could affect student financial aid:
 - Future teachers programs,
 - Merit scholarships in high school, and
 - Student financial assistance for non-traditional students

Adjournment: 2:50 pm